Government's Appeal in Supreme Court on Drugs Price Fixation Cases

144. SHRI BHUBANESWAR KALITA : Will the Miinster of INDUSTRY be pleased to state:

(a) whether it is a fact that his Ministry filed an appeal in the Supreme Court against the judgment of Delhi High Court in regard to price fixation cases of drugs and finished medicines;

(b) whether it is also a fact that the Supreme Court allowed the appeal;

(c) whether it is also a fact that the Supreme Court gave certain directions to his Ministry; and

(d) if so, what are the details of the directions and what action has been taken on the directions?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETROCHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) to (c) Yes, Sir.

(d) The Supreme Court has directed the Government to give hearings to petitioner companies within 2 months of date of judgment and dispose of the representations within 15 days of conclusion of the hearing. Hearings have already been given to all the affected companies.

Ex-factory Value of Production of Bulk Drugs

145. SHRI BHUBANESWAR KALITA : Will the Miinster of INDUSTRY be pleased to state :

(a) whether it is a fact that drug compaines have been inflating the ex-factory value of production of bulk drugs in their ratio parameters figures ;

(b) if so, what is the definition of ex-factory value of production of bulk drugs ;

(c) whether it is also a fact that drug companies have been taking national and maximum selling prices as ex-factory value ;

(d) if so, whether his Ministry has issued any guidelines in this regard ;

(e) if so, what are the dedtails thereof ;

(f) whether his Ministry has adopted any method for verification of ex-factory value of production of bulk drugs; and

(g) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETROCHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH) : (a) No such report has been received.

(b) At present ex-factory value of production includes all costs incurred on product, including overheads, till the product leaves the factory.

(c) No such report has been received.

(d) No such guidelines have been issued.

(e) Does not arise.

(f) and (g) Chartered Accountant's Certificate regarding ex-factory value of production is the basis for verification.

Ratio Parameters for Drug Industry

146. SHRI BHUBANESWAR KALITA : Will the Minister of INDUSTRY be pleased to state :

(a) whether it is a fact that his Ministry proposed for revision of ratio parameters for the Drug Industry ;

(b) if so, what were earlier parameters in the Drug Policy, 1978 and what is the revised proposal ;

(c) whether his Ministry issued any guidelines regarding ratio parametres ;

(d) if so, the details thereof ;

(e) whether it is a fact that a number of companies are marketing formulations under their own brand names based on imported bulk drugs after gettig them manufactured from SSI units ;